1199SEIU UNITED HEALTHCARE WORKERS EAST MEMORANDUM OF AGREEMENT

<u>MEMORANDUM OF AGREEMENT</u> (the 'Agreement') entered into this 19th day of June 2014 by and between the City of New York and the New York City Health & Hospitals Corporation (the 'Employer') and 1199SEIU United Healthcare Workers East (the 'Union') modifying certain collective bargaining agreements between the Employer and the Union that expired, as set forth more particularly below.

IN WITNESS THEREOF NOW, THEREFORE, it is mutually agreed as follows:

1. Term of Agreements

The Pharmacists and Dietitians, the Microbiologists, and the Licensed Practical Nurses unit agreements that expired August 4, 2009 shall be replaced by successor agreements that shall continue all their terms and conditions except as modified or amended below. The term of the successor agreements covering employees represented by the Union in these bargaining units ("Employees") shall be from August 5, 2009 through August 4, 2018.

2. Ratification Bonus

A lump sum cash payment in the amount of \$1,000, pro-rated for other than full-time employees, shall be payable as soon as practicable upon ratification of the Agreement to those employees who are on payroll as of the date of ratification. The lump sum cash payment shall be pensionable, consistent with applicable law.

3. 2009-2011 Round

- a. The general increases, effective as indicated, shall be:
 - i. Effective February 5, 2015, Employees in the units described above shall receive a general increase of 2.00%.
 - ii. Effective February 5, 2016, said Employees shall receive an additional general increase of 1.961%.
 - iii. Effective February 5, 2017, said Employees shall receive an additional general increase of 2.00%.
 - iv. Effective February 5, 2018, said Employees shall receive an additional general increase of 1.9605%.

- v. Part-time per annum, per session, hourly paid and part-time per diem Employees (including seasonal appointees) and Employees whose normal work year is less than a full calendar year shall receive the increases provided in 3.a.i., 3.a.ii, 3.a.iii, and 3.a.iv. on the basis of computations heretofore utilized by the parties for all such Employees.
- b. The increases provided for in 3.a. above shall be calculated as follows:
 - i. The general increase in 3.a.i. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2015.
 - ii. The general increase in 3.a.ii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2016.
 - iii. The general increase in 3.a.iii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2017.
 - iv. The general increase in 3.a.iv. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2018.

4. Structured Retiree Claims Settlement Fund

Upon ratification, the City/HHC shall establish a Structured Retiree Claims Settlement Fund in the total amount of \$3.465 million to settle all claims by retirees who have retired between August 5, 2009 and the date up to and including 28 days after ratification concerning wage increases arising out of the 2009-2011 round of bargaining. The Fund will be distributed based upon an agreed upon formula.

5. Employees who retire on or after the 29th day following ratification shall receive lump sum payments based on the same schedule as actives as set forth below in Paragraph 6.

6. Lump Sum Payments stemming from the 2009-2011 Round and schedule for actives for those continuously employed as of the date of payout.

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i. 7/5/15 ------ 12.50% (1/8 of the balance as of this date)
ii. 7/5/17 ------ 12.50% (1/7 of the balance as of this date)
iii. 7/5/18 ------ 25.00% (1/3 of the balance as of this date)
iv. 7/5/19 ------ 25.00% (1/2 of the balance as of this date)
v. 7/5/20 ------ 25.00% (representing the remainder of the balance)
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7. <u>General Wage Increases</u>

- a. The general increases, effective as indicated, shall be:
 - i. Effective February 5, 2013 Employees in the units described above shall receive a general increase of 0.35%.
 - ii. Effective February 5, 2014, said Employees shall receive an additional general increase of 1.00%.
 - iii. Effective February 5, 2015, said Employees shall receive an additional general increase of 1.00%.
 - iv. Effective February 5, 2016, said Employees shall receive an additional general increase of 1.50%.
 - v. Effective February 5, 2017, said Employees shall receive an additional general increase of 2.50%.
 - vi. Effective February 5, 2018, said Employees shall receive an additional general increase of 3.0%.

- vii. Part-time per annum, per session, hourly paid and part-time per diem Employees (including seasonal appointees) and Employees whose normal work year is less than a full calendar year shall receive the increases provided in 7.a.i., 7.a.ii, 7.a.iii, 7.a.iv., 7.a.v, and 7.a.vi. on the basis of computations heretofore utilized by the parties for all such Employees.
- b. The increases provided for in 7.a. above shall be calculated as follows:
 - i. The general increase in 7.a.i. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2013.
 - ii. The general increase in 7.a.ii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2014.
 - iii. The general increase in 7.a.iii. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2015.
 - iv. The general increase in 7.a.iv. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2016.
 - v. The general increase in 7.a.v. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2017.
 - vi. The general increase in 7.a.vi. shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect February 4, 2018.
- c. i. The general increases shall be applied to the base rates, incremental salary levels and the minimum "hiring rates", minimum "incumbent rates" and maximum rates (including levels) if any, fixed for the applicable titles.

ii. The general increases shall not be applied to the following "additions to gross": uniform allowances, equipment allowances, transportation allowances, uniform maintenance allowances, assignment differentials, service increments, advancement increases, assignment (level) increases, and experience, certification, educational, license, evening, or night shift differentials.

8. <u>Health Savings and Welfare Fund Contributions</u>

This incorporates the terms of the May 5, 2014 Letter Agreement regarding health savings and welfare fund contributions between the City of New York and the Municipal Labor Committee (see attached).

9. Childcare and Eldercare Funds

Effective 8/5/14, and continuing thereafter, 0.5% of the gross payroll annually shall be paid into a fund for the provision of childcare and eldercare benefits for covered employees as determined by the joint committee.

Payments shall be calculated on a quarterly basis and paid within 60 days of the end of each quarter.

There shall be a joint committee consisting of an equal number of members of the City/HHC and1199 who will engage in a process to develop programs and rules to use the available funds pursuant to an appropriate trust agreement agreed to by the parties.

All decisions shall be reached jointly by the committee, and all decisions of the joint committee shall be final.

Consistent with the requirements of HIPPA, the employer agrees to make available to the Childcare and Eldercare Funds such records of employees that the Fund may require to operate the Fund. The information provided shall not be used for any other purpose.

It is the parties' intent that the Fund will be in operation no later than June 2015.

Martin F. Scheinman is hereby designated as the impartial arbitrator to hear and resolve trustee deadlocks or disputes over whether contributions are accurate.

In the event that the parties are unable to reach agreement, either party can request Martin F. Scheinman to assist in the discussions.

10. Training and Upgrading Funds

Effective 8/5/14, and continuing thereafter, 0.5% of the gross payroll annually shall be paid into a fund for the provision of training and education benefits for covered employees to be used as a training and upgrade fund as determined by the joint committee.

Payments shall be calculated on a quarterly basis and paid within 60 days of the end of each quarter.

There shall be a joint committee consisting of an equal number of members of the City/HHC and 1199 who will engage in a process to develop the eligibility rules and procedures of the training fund pursuant to an appropriate trust agreement agreed to by the parties. The goal of the fund is to develop programs that shall provide necessary education and enhance employees' skills for career building, achieving promotions, and other mutually agreed upon outcomes. The purposes of the fund shall include, but not be limited to, interview training, educational classes, attaining higher education degrees and such other mutually agreed upon activities. It is the parties' intent that the Fund will be in operation no later than January of 2015.

All decisions shall be reached jointly by the committee, and all decisions of the joint committee shall be final.

The employer agrees to make available to the Training and Upgrade Fund such records of employees that the Fund may require in connection with the sound and efficient operation of the fund. The information provided shall not be used for any other purpose.

Martin F. Scheinman is hereby designated as the impartial arbitrator to hear and resolve trustee deadlocks or disputes over whether contributions are accurate.

11. Effective, 8/5/14, the parties agree to delete the references and payments to the Training and Upgrading Fund and Tuition Reimbursement in the 2007-2009 collective bargaining agreements and replace with Paragraph 10 of this MOA. Bills incurred consistent with those sections of the CBA for services received prior to 8/5/14 may be submitted and will be paid consistent with past policy and practice pursuant to the terms of the 2007-2009 contracts. Bills paid on or after 8/5/14 shall continue to be paid by the employer consistent with past practice until

such time as the Fund is in operation and providing benefits. Any payments made as a result of these bills for the period after 8/5/14 shall be deducted from the contribution required by paragraph 10.

12. Upon ratification, the City/HHC shall establish a claims settlement fund in the total amount of \$150,000 (such amount shall be inclusive of FICA and pension costs) to settle all claims by Phlebotomists working at Lincoln Hospital who transfer(ed) or who applied and satisfied all of the requirements to transfer to the title of Personal Care Assistant between April 19, 2014 to the date of ratification of this agreement for Lump Sum Payments stemming from the 2009-2011 Round, as set forth in paragraph 6 of the 2009-2018 MOA. Claims shall be calculated from August 5, 2009 to the date of transfer and require that he/she has been continuously employed by the employer as of the date of payout. Notwithstanding any other provision of this or any other agreement the total amount to be paid out of this fund shall not exceed \$150,000.

13. Dispute Resolution

Any disputes arising under this memorandum of agreement shall be determined by Martin F. Scheinman. The parties shall share the costs of his services.

14. Ratification

This Agreement is subject to ratification by the Union and approval by the Mayor.

WHEREFORE, we have hereunto set our hands and seals this 19th day of June, 2014.

City of New York

By: /	LAT WIL
Neva Shillingford Executive Vice-Presiden	Robert W. Linn Commissioner Office of Labor Relations
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Gail Griffith	
Saundra Smith)
Linda Barrow Linda Barrow	
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Kim Cameron K Cameron	
Valerie Goffe Valorie Goffe	
Rosalia Gomez-Mozo	
Linda Morton Linda Mentos,	na na
Fran Lacoff Fran Lacoff	
Dalrymple Collin	
Agnes Dapaah AMM	
Bridges Jones	
Regina Green Regina	

Annie Urag Allag
Jacqueline Burton Garagues. Le Burto
Marguerita Cross Marguerita Cross
Derrick Stone Dennie Pful
Donnovan Purrier Donnovan Linux
Winslow Luna
Artis Thornton (the Hand)
Edwin Diaz Edwin Truj
Donald Crosswell Ethel James
Stacy Gray Stay Dray
Steve Transel

New York City Health & Hospitals Corp.

By Pathlesonth for Salvatore & Russo

Salvatore J. Russo

Senior Vice-President and General Counsel